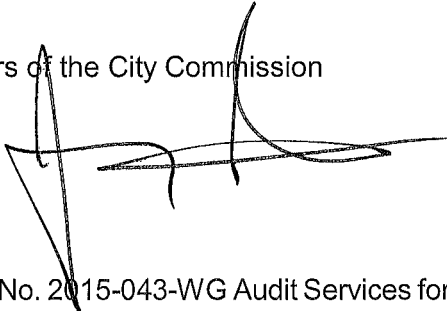




LTC # **056-2015**

LETTER TO COMMISSION

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager 

DATE: February 9, 2015

SUBJECT: Request for Qualifications (RFQ) No. 2015-043-WG Audit Services for Resort Taxes and Other Internal Audits

On December 17, 2014, the City Commission authorized the issuance of the above-referenced RFQ. The RFQ seeks proposals from qualified firms interested in providing both resort tax and internal audits as required by the City. The RFQ was issued on December 19, 2014 and a proposer's conference was held on December 29, 2014.

The City has received several questions regarding the minimum requirements for the internal audit portion of the RFQ, which requires respondents to be members of the American Institute of Certified Public Accountants (AICPA) or the Florida Institute of Certified Public Accountants (FICPA). Since the City would like to consider, in addition to Certified Public Accountants, firms with team members that are Certified Internal Auditors (CIA) and Certified Fraud Examiners (CFE) for this portion of the RFQ, the Administration is recommending that the requirement for AICPA or FICPA be eliminated. It is anticipated that eliminating the membership requirements in AICPA or FICPA will broaden the pool of potential respondents to the RFQ.

Instead, the RFQ will now require respondents to provide those certifications held by their team members, which is a more accurate measure of the qualifications of the team members which will be providing services to the City. Team member certifications will be evaluated under the qualifications portions of the evaluation criteria. A copy of each affected section is attached.

I would appreciate any comments and/or suggestions you may have by Thursday, February 12, 2015.

Thank you.

C: Mark Taxis, Assistant City Manager 
Alex Denis, Director, Procurement Department
John Woodruff, Director, Office of Budget and Performance Improvement
James Sutter, Director, Internal Audits

JLM/ MT/ AD/ JW/ JS

C2. INTERNAL AUDITS – MINIMUM REQUIREMENTS AND PROJECT SPECIFICATIONS.

C2.1 – Minimum Requirements for Internal Audits. The Minimum Eligibility Requirements for this category are listed below. Proposer shall submit detailed verifiable information affirmatively documenting compliance with each minimum requirement. Proposers that fail to comply with minimum requirements will be deemed non-responsive and will not be considered.

- A. Proposer must be registered to do business within the State of Florida for a period of not less than one (1) prior to the due date for receipt of proposals.
- B. The respondent must have three (3) years of experience providing ALL of the following services to governmental and/or public sector agencies:
 - a. Internal Financial Audits
 - b. Internal Operational Audits
 - c. Forensic Audits

For each experience (a-c), proposer must submit as evidence: agency name, brief scope of work provided, contact name, contact telephone number, contact email and year(s) of experience for verification purposes.

~~C. Proposer must be a member of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants.~~

- D. Proposer must maintain a permanent office within Miami-Dade, Broward or Palm Beach County upon award of contract, documented through a Business Tax Receipt, Occupational License or its equivalent.

C2.2 – Project Specifications for Internal Audits. The scope of the work for internal audits will be contingent to the type of audit requested. Types of audits which maybe requested will comprise of Financial Audits, Attestation Engagements (includes examinations, review or agreed upon procedures), and Performance Audits. Audit work should be performed in accordance to governmental auditing standards. In addition, Forensic Audits may be requested.

Contractor is to develop audit programs for the scope of work provided. Audit findings are to be presented to the City Administration. Prior to authorizing work on an internal audit, the successful proposers will be required to submit a price proposal based on the number of hours estimated to complete the work and a price per hour that is less than or equal to the per hour proposal price. The City shall, at its sole option, determine whether to proceed with the scope of work. Each audit is completed by the submission a final report accepted by the City.

**SECTION 0300****PROPOSAL SUBMITTAL INSTRUCTIONS AND FORMAT**

1. SEALED RESPONSES. One original Proposal (preferably in 3-ring binder) must be submitted in an opaque, sealed envelope or container on or before the due date established for the receipt of proposals. Additionally, ten (10) bound copies and one (1) electronic format (CD or USB format) are to be submitted. The following information should be clearly marked on the face of the envelope or container in which the proposal is submitted: solicitation number, solicitation title, Proposer name, Proposer return address. Proposals received electronically, either through email or facsimile, are not acceptable and will be rejected. Proposals are to be delivered to City of Miami Beach Procurement Department, 1700 Convention Center Drive, 3rd Floor, Miami Beach, Florida 33139.

2. LATE BIDS. Bid Proposals are to be received on or before the due date established herein for the receipt of Bids. **Any Bid received after the deadline established for receipt of proposals will be considered late and not be accepted or will be returned to Proposer unopened.** The City does not accept responsibility for any delays, natural or otherwise.

3. PROPOSAL FORMAT. In order to maintain comparability, facilitate the review process and assist the Evaluation Committee in review of proposals, it is strongly recommended that proposals be organized and tabbed in accordance with the sections and manner specified below. Hard copy submittals should be tabbed as enumerated below and contains a table of contents with page references. Electronic copies should also be tabbed and contain a table of contents with page references. Proposals that do not include the required information will be deemed non-responsive and will not be considered.

TAB 1 Cover Letter & Minimum Qualifications Requirements

1.1 Cover Letter and Table of Contents. The cover letter must indicate Proposer and Proposer Primary Contact for the purposes of this solicitation. Additionally, the Cover Letter must state which category of audit (resort tax audit or internal audits) the proposal is intended. **Those Proposers wishing to submit proposals for both categories must submit two proposals – one for each category.**

1.2 Proposal Certification, Questionnaire & Requirements Affidavit (Appendix A). Attach Appendix A fully completed and executed.

1.3 Minimum Qualifications Requirements. Submit verifiable information documenting compliance with the minimum qualifications requirements established in Appendix C, Minimum Requirements and Specifications.

TAB 2 Experience & Qualifications

2.1 Qualifications of Proposer. Submit detailed information regarding the firm's history and relevant experience and proven track record of providing the scope of services similar as identified in this solicitation, including experience in providing similar scope of services to public sector agencies. For each project that the Proposer submits as evidence of similar experience, the following is required: project description, agency name, agency contact, contact telephone & email, and year(s) and term of engagement. If the proposer is an individual, rather than a firm, the same information is to be provided.

2.2 Qualifications of Proposer Team. Provide an organizational chart of all personnel and consultants to be used if awarded, the role that each team member will play in providing the services detailed herein and each team members' qualifications. A resume of each individual, including education, experience, certifications such as Certified Public Accountants (CPA), Certified Internal Auditors (CIA) or Certified Fraud Examiners (CFE) and any other pertinent information, shall be included for each Proposal team member to be assigned to this contract.

Note: After proposal submittal, the City reserves the right to require additional information from Proposers (or Proposer team members or sub-consultants) to determine: qualifications (including, but not limited to, litigation history, regulatory action, or additional references); and financial capability (including, but not limited to, annual reviewed/audited financial statements with the auditors notes for each of their last two complete fiscal years).